

CHAPTER NO. 712

HOUSE BILL NO. 2920

By Representatives Lois DeBerry, Bowers

Substituted for: Senate Bill No. 2367

By Senators Kyle, Cohen

AN ACT to amend Tennessee Code Annotated, Section 7-53-305, relative to industrial development corporations and payments in lieu of taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-53-305, is amended by adding the following language as a new subsection to be designated as follows:

(g) An industrial development corporation may not negotiate any payment in lieu of tax agreement for less than the county ad valorem taxes otherwise due unless:

(1) The corporation is a joint corporation organized by the county and one or more of the municipalities therein;

(2) The corporation has entered into an interlocal agreement with the county in regard to payments in lieu of ad valorem taxes; or

(3) The corporation has received written approval from the chief executive and the legislative body of the county regarding payments in lieu of ad valorem taxes.

The provisions of this subsection shall only apply to any county having a population of not less than eight hundred ninety-seven thousand, four hundred (897,400) nor more than eight hundred ninety-seven, five hundred (897,500) according to the 2000 federal census or any subsequent federal census and at least five (5) industrial development corporations formed under Tennessee Code Annotated, Title 7, Chapter 53.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 24, 2002



JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES



JOHN S. WILDER  
SPEAKER OF THE SENATE

APPROVED this 1<sup>st</sup> day of May 2002



DON SUNDQUIST, GOVERNOR